

UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF VERMONT

UNITED STATES OF AMERICA,)
)
) CIVIL ACTION NO. 2:93CV77(F)
)
) FILED: 3/17/96
)
)
CANSTAR SPORTS USA, INC.,)
)
) Defendant.)

COMPLAINT

The United States of America, plaintiff, by its attorneys acting under the direction of the Attorney General of the United States, brings this civil action against the above-named defendant and complains and alleges as follows:

I

JURISDICTION AND VENUE

1. This complaint is filed under Section 4 of the Sherman Act, as amended (15 U.S.C. § 4) in order to prevent and restrain violations, as hereinafter alleged, by the defendant of Section 1 of said Act (15 U.S.C. § 1).

2. Defendant transacts business and is found in the District of Vermont and maintains its principal office in the District of Vermont.

II

DEFINITIONS

3. "Person" means any individual, corporation, partnership, company, sole proprietorship, firm or other legal entity.

4. "Retail Dealer" means any person, not wholly-owned by Canstar Sports USA, Inc., who purchases or acquires hockey skates manufactured or sold by Canstar Sports USA, Inc. for resale.

III

DEFENDANT AND CO-CONSPIRATORS

5. Canstar Sports USA, Inc. (Canstar USA) is made a defendant herein. Canstar USA is a corporation located in the District of Vermont, organized and existing under the laws of the State of Vermont.

6. Various companies and individuals who are retail dealers, not made defendants in this complaint, have participated with the defendant in the offense charged herein and performed acts and made statements in furtherance of it.

IV

TRADE AND COMMERCE

7. Canstar USA is a leading seller of hockey skates in the United States. The hockey skates sold by Canstar USA are manufactured in Canada by its parent corporation.

8. Canstar USA sells substantial quantities of hockey skates to retail dealers which resell them to consumers throughout the United States. In early 1990, Canstar USA began to offer for sale and sell hockey skates with a new blade design called V2 blades to retail dealers throughout the United States.

9. During the period covered by this complaint, there has been a continuous flow in interstate commerce of hockey skates, including hockey skates with V2 blades, from Canstar USA's

facilities in Vermont to retail dealers throughout the United States. The activities of the defendant and its co-conspirators, as hereinafter described, have been within the flow of, and have substantially affected, interstate commerce.

V

VIOLATION ALLEGED

10. Beginning at least as early as February 1990 and continuing at least through November 1990, the defendant and its co-conspirators engaged in a combination and conspiracy in unreasonable restraint of the aforesaid interstate trade and commerce in violation of Section 1 of the Sherman Act, as amended (15 U.S.C. § 1). This unlawful combination and conspiracy will continue or may be renewed unless the relief prayed for herein is granted.

11. The aforesaid combination and conspiracy consisted of a continuing agreement, understanding, and concert of action among the defendant and its co-conspirators to fix and maintain the retail price of hockey skates with V2 blades at the amount set by the defendant, Canstar USA.

12. In furtherance of this combination and conspiracy, the defendant did those things which, as hereinabove alleged, it combined and conspired to do, including:

- (a) establishing and communicating to retail dealers a minimum retail price for hockey skates with V2 blades purchased from Canstar USA; and

- (b) obtaining agreements from retail dealers to maintain the minimum retail price as a condition of receiving and continuing to receive hockey skates with V2 blades from Canstar USA.

VI

EFFECTS

13. The aforesaid combination and conspiracy has had the following effects, among others:

- (a) retail prices of hockey skates with V2 blades have been fixed and maintained; and
- (b) competition in the sale of hockey skates with V2 blades by retail dealers has been restrained, suppressed, and eliminated.

VII

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays:

1. That the Court adjudge and decree that the defendant has combined and conspired to restrain the aforesaid interstate trade and commerce in violation of Section 1 of the Sherman Act.

2. That the defendant, its officers, directors, agents, employees and successors and all other persons acting or claiming to act on their behalf be enjoined and restrained from, in any manner, directly or indirectly, continuing, maintaining, or renewing the combination and conspiracy hereinbefore alleged, or from engaging in any other combination, conspiracy, contract, agreement, understanding or concert of action having a similar

purpose or effect, and from adopting or following any practice, plan, program, or device having a similar purpose or effect.

3. That plaintiff have such other relief as the Court may deem just and proper.

4. That plaintiff recover the costs of this action.

Dated:

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